

Address to the Tanana Chiefs Conference
Chena River Convention Center
March 15, 2006

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As Prepared

President Buddy Brown, distinguished elders, and friends. Thank you for inviting me to speak today. It's an honor to be here. I know that I'm the last man standing between you and lunch, so I'll do my best.

I want to start by saluting your President, Mr. Buddy Brown. Although we haven't had the chance to work together yet, I want him to know how impressed I was when I heard him speak at the AFN conference last October. He set the tone for the entire convention when he said we're here to focus on solutions, not on problems. And I join you in wishing him every success in fighting his battle against cancer.

Focusing on solutions is what I want to talk about this morning. I started out in Alaska 31 years ago at the state Department of Community & Regional Affairs. Mike Harper was Deputy Commissioner, and gave me my first assignment. He was one of the first to teach me that finding solutions in Alaska is all about communications and personal relationships.

Little did I know that three decades later Mike and I would work together again, me at the Denali Commission, and he, as a major program partner with the Alaska Energy Authority.

But relationships are what Alaskans are all about. Beyond the beauty and timelessness of the land, it's our personal relationships between us that keep us strong, keep us together, and give us hope for the future. And so I look forward to getting to know your leadership and each of you as we work together from here.

I remember one year when Senator Stevens addressed the Alaska legislature. He said, as policy makers, we will engage in spirited and lively debate, but in the end, we're all Alaskans and we have deep and abiding friendships.

I was introduced to the majesty of your region in the summer of 1979 by Jonathon Soloman. He served as a mentor and guide for Ralph Darbyshire and me, as we traveled by boat from Stephens Village down the Yukon River. I caught my first northern pike from an island just downriver from the village. We cooked it over a fire for dinner. We continued through the rampart canyons down to Tanana, and then eventually up river to Nenana. I've always been grateful to Jonathan for introducing me to a very special region.

Many years later I worked on a village relocation project in Huslia. I made several trips to the village, spending at least one night each time. Although I'm guilty at times, I object to the bureaucrats who make a habit of flying in, holding the meeting, and promptly flying out.

One of the simple secrets of working in rural Alaska is just taking time to sit and listen, and then to ask the right questions. During our time in Huslia, we worked with the high school students. To break the ice, I asked them "Where are you guys from?" I expected everyone to say "Huslia!" Instead, they all said, "Tanana, Nenana, Fairbanks, Anchorage, Seattle!" "What", I said, "how can this be?" "Simple", they said, "our Moms left town to have us, and then we came back!"

Among other things, I learned that the state, at one time, had covered up a traditional gardening spot with gravel, simply because they had not taken the time nor the courtesy to ask if this was an acceptable spot to deposit material near the runway.

I don't claim to be an expert in rural Alaska, economic development or Native cultures. But I am passionate about these topics – I firmly believe that our state won't reach its full potential until or unless rural Alaska and urban Alaska are both healthy. And by healthy, I mean in both physical infrastructure, and human capacity. And I'm very concerned about the lack of understanding, and the lack of listening that goes on in government. We are fighting ignorance, and too much partisan politics, and like the war in Iraq, it's hard to know whether we're winning or losing.

Next week I have the privilege of meeting with members of the state legislature and their staffs in an informal brown bag setting in the capitol. I've devoted considerable time to meeting key members and their staffs this session, because I know we can do much more to partner together. And I

thank Senator Al Kookash, Representative Woodie Salmon, and their staffs for their candid advice and insights.

I'm not there to ask for money (at least not this year). I know that Senator Stevens will address them the following day. One of his themes will be the need for the state to step up its investments in planning and funding basic infrastructure. He will tell them that he's doing his best, but times are tough in Washington DC, and as you've seen with your own funding, federal budgets are down and are likely heading lower.

State legislators are experts at knowing the needs of each of their districts. They know them perhaps better than any other group in the state. And I'll let them know that the Denali Commission's database is an extraordinary tool that can help them in their deliberations. This database, available to the public on our website, details over 1,000 projects funded by the commission over the past seven years. Here you can find detailed information, and often photographs of every project we've completed, every project under construction and every project on the drawing board. You can click on an interactive map, drill down to every community, and see at a glance what's been accomplished. You can see funding breakdowns, identify funding partners, check on the status of the project and find the names and contact information.

My main message is a call for better coordination in capital projects. We all know the horror stories of poor project planning and execution. As you travel around the state, you've all seen the federal and state agency bureaucrats, flying here and there working on their specific projects, and like ships passing in the night, not coordinating with each other. You've all seen projects built in the wrong locations because local residents were not consulted, where projects were built without considering the impact on the capacity of the power plant, the distance to the sewage lagoon, or where the site is subject to flooding and erosion.

What I'm looking for this year is the ability to coordinate in project timing, in mobilization and even in co-location. For example, I'm pleased to report that three of our primary clinic projects will be accelerated this construction season because we are sharing mobilization expenses and logistics with the state DOT folks who are doing airport improvements in the same communities.

Our projects must be complimentary, must fulfill a genuine need, must be sustainable, and must contribute to the long-term well-being of our rural communities and people.

Let me share with you a success story – the new primary clinic in Minto. Although I haven't seen it yet, and I haven't had the privilege of meeting the TCC Regional Health Board Chair, Mr. Andrew Jimmie, this is a success story worth repeating, and one that we are highlighting in our Denali Commission annual report, due from the printers in about two weeks.

The Health Facilities Program, together with energy, was identified by Julie Kitka and the commissioners as an early area of emphasis. In 2000, the commission identified rural primary health facility needs in more than 288 rural communities. They estimated the cost of needed renovation or new construction to be \$253 million.

Thanks to Senator Stevens and a close partnership with the US Department of Health and Human Services, the State of Alaska and Alaska health providers such as the Alaska Native Tribal Health Consortium, we have completed 55 clinic upgrades and have another 103 projects underway.

Recently, the commission upgraded its clinic standards to include space for dental and behavioral health services, as well as space for mid-level providers.

According to Andy Jimmie, the old clinic was deteriorated and too overcrowded, and located inside an old lodge. In contrast, the new clinic is over 2,500 square feet, and includes two exam rooms, an office and waiting area, behavioral health and dental rooms, greater lab space and other amenities. It provides an appropriate level of care.

Funds were leveraged to full advantage by strategic partnering. While the Denali Commission funded the design and most of the construction, remaining funds were provided by the Indian Health Service, the Rasmuson Foundation, and the Alaska Mental Health Trust Authority. Significantly, Minto provided the land, the gravel and almost all local hire for the construction crews.

ANTHC managed the construction itself. According to the site superintendent, they began construction in October 2004. Although the

were only initially going to pour concrete for the foundation, the community was so eager, that after a couple of days, some of the outer walls were already complete.

The clinic was thus completed in May 2005 – fully one year ahead of schedule! Chief Jimmie is quoted as saying, “Other villages are impressed by how quickly and efficiently we built our clinic, and they are asking us for advice, which we are giving.”

This story, I hope, illustrates the magic of the Denali Commission – a willingness to listen and define a need, to seek partners and funding, to plan with the community, and to work hard to execute a project that genuinely improves community life.

By the way, our funding isn’t limited to rural villages. I’m proud that we funded \$1 million towards the \$7.6 million regional mental health center here in Fairbanks, and that we contributed \$313,000 towards the new \$5.2 million Morrie Thompson Center. As long as there’s a connection to rural Alaska, we can consider being a funding partner.

Many of you heard me speak at AFN, my third week on the job. I said then, and I repeat now that I firmly believe that every organization should ethnically reflect, to the fullest extent possible, the diversity of the clientele they serve. It’s not only the right thing to do, it’s essential for the relevance and effectiveness of the organization. And I said that, regrettably, the Denali Commission currently doesn’t meet that test. Rural Alaska is comprised, roughly of 50% Alaska Natives, and 50% non-Natives. The commission has 13 federal employees and another 5 professionals detailed from other organizations. While they are an absolutely outstanding team, and have a passionate commitment to the mission of the commission, there is only one Alaska Native among them...my colleague Nelson Angapak representing AFN and the ANCSA CEO’s... until now.

I committed at AFN to advertising new positions, something the commission had never done before. We placed ads across the state in January for 30 days announcing three new positions, a Program Assistant, a Transportation Program Manager, and a Chief Operating Officer. We received almost 200 resumes. 90% of them were from Alaskans. I am gratified by the response and the talent this response represents.

Fifty-one candidates applied for the rural Transportation Program Manager position. We interviewed the five top candidates, and I'm pleased to announce that Mr. Fred Smith has accepted our offer to join us. Fred was most recently Director of Planning for AVCP in Bethel, has a B.A. in Rural Development from the University of Alaska Fairbanks, was General Manager for the Noorvik Native Community, is a shareholder of Noorvik, has served on the board of NANA Corporation, and is a member of Operating Engineers Union Local 302. He will bring a perspective of on-the-ground rural Alaska village life that will help our team and advance our mission. We're on the right road.

I want to quickly mention where we're going this year, and then I'll close, hoping we have time for questions.

Our funding from Congress for FY 2006 is about \$135 million. While this is about the same as last year, there are two significant differences. First, \$25 million of the total is for our new transportation program; hence, funding for our ongoing programs is down. And given two wars, the costs of hurricane recovery, and bad press for Alaska, securing our funding will be more and more difficult.

Second, Senator Stevens delivered on a commitment to reduce the hard earmarks that was threatening to make the Denali Commission just a pass-through agency. In fact, this year, we had no hard earmarks. We have congressional language encouraging us to consider funding for many things, but no direct funding instructions to do so. This is significant, because it places the burden for making good decisions with the commission, and closer to the local level, rather than by agencies or committees back in Washington DC. It means the commission must be even more public and transparent about its funding decisions than ever before.

For example, our contractor Mike McKinnon has been meeting with many of you this week about our project selection criteria and public outreach program for the new transportation program. Governor Murkowski has selected an outstanding Transportation Advisory Committee, including Mr. Norman Phillips and Mr. Charles Quinlan from the TCC region. Chuck Quinlan is with us today, and I thank him for his service – it's all volunteer. They will be holding their third meeting, open to the public, on March 31st.

The seven Denali Commissioners are fully on board with this new process. Before meeting again together in Glenallen on May 24th, we will be holding several subcommittee meetings dealing with Infrastructure, Training, Economic Development, and Strategic Planning. The announcements are on our website, and all meetings are open to the public. This process is also championed by Julie Kitka, and I want to thank her for her tremendous and effective work on the Denali Commission.

On May 24th, the commission will be making funding decisions for remaining energy dollars, for the health facilities program, for a number of economic development initiatives, for teacher and elder housing, and for our 2006 rural transportation program.

But this won't be a popularity contest...as you know, the needs throughout rural Alaska are tremendous, while the dollars are declining.

We will soon be starting a major revision to our strategic plan. We'll be engaging you on serious questions and issues, to include:

- Our mission, vision, core values and goals – are they correct for the next 5-10 years and beyond?
- Customer feedback – we haven't taken the time recently to ask how each of our projects has turned out. Are they holding up physically? Are they being operated and maintained properly? Are budgets sufficient? Are they being operated and managed by local residents?
- Outcomes – in addition to success stories, such as the Minto clinic, what outcomes can be measured to understand the long-term impact of our work?
- Big Issues – like high energy costs, the demographic shift occurring between rural areas and Anchorage and Fairbanks, climate change and coastal erosion, and the urgent need to tie together human capacity building with infrastructure building. Who takes responsibility, and what are appropriate strategies and solutions?
- Our investment strategy. Thanks to Senator Stevens and our program partners, we've invested over \$707 million into rural Alaska, counting this year. These investments are imperative to carry out our mission. Are we doing it in the best way possible?

One those days when I don't know if we're winning or losing, I'm heartened by a moment in time in Kotzebue. Last December, we visited the local

school. We saw a young man from the Bethel region, a Yupik Native, teaching Kotzebue kindergardners how to use personal computers. He was working as a teacher's aide and had just been discharged from the Army following a tour in Iraq.

On those days I'm convinced we're winning. There is a marvelous future ahead for rural Alaska, if we communicate and work together. I'm honored to be here this morning, I look forward to working more closely with you, and I hope we have time for questions. Thank you.